

## ABSTRACT:

Method and signal processing apparatus for reducing the number of bits of a digital input signal ( $M_i$ ) comprising the steps of adding a pseudo-random noise signal ( $N_a$ ) to the digital input signal ( $M_i$ ) to obtain an intermediate signal ( $D_i$ ), the pseudo-random noise signal ( $N_a$ ) being defined by noise parameters ( $N_p$ ), and quantising the intermediate signal ( $D_i$ ) having a word length of  $n$  bits to a reduced word length signal ( $M_e$ ) having a word length of  $m$  bits,  $n$  being larger than or equal to  $m$ . The method further comprises the step of quantising the intermediate signal ( $D_i$ ) comprises a first transfer function which is non-linear, the first transfer function being defined by non-linear device parameters ( $NLD_p$ ). Also, the present invention relates to a method and signal decoding apparatus for recovering an output signal ( $M_o$ ) from a reduced word length signal ( $M_e$ ) provided by the method according to the invention.

(Fig. 1)